BLM or with the Forest Service before you made those recommendations?

Mr. PETTY. I repeat again, that the numbers are illustrative, not definite; that the interagency dialog which we hope this will be a part of will obviously refine numbers.

Senator MORSE. I am very sorry, Mr. Petty, but I would not necessarily apply the word "illustrative" to these parts of the report. They appear to proposals for changes in the allowable cut, including the statements you have in the report somewhere regarding the Duerr report, with respect to what the private foresters are alleged to have said, and the dean of the school of forestry of Syracuse has said. On page 8 of the report we find statements relating to the computation of the allowable cut; that it is intended to obtain a steady yield of timber over time. Then you proceed to make proposals in regard to it which may very well be seized upon, and referred to by the Japanese negotiators on the issue as to whether or not there is an urgency—whether or not there is a need for any restrictions—as to whether or not there is a surplus. These proposals bear directly upon that issue.

Are you aware of the fact that the Department rejected the Duerr report? Are you aware of the fact that the Department is on record in opposition to proposal after proposal you make in regard to the technical issues involved in computing sustained yield?

Mr. PETTY. I am aware the Department rejects the Duerr report and I think Mr. Cliff's statement gave his reasons for it very clearly. I am aware also that the staff approach with respect to the whole long problem raises serious questions in agriculture and there will be discussions interagency, I hope, that will continue after these hearings. I am sure that anyone familiar with the lumber industry and the log industry knows that Treasury does not set policy on the allowable cut, Mr. Chairman.

Senator MORSE. Do not deprecate yourself so much. When the Treasury Department of the United States comes out with a staff report, it should carry considerable weight. It ought to be a good report. That is our difference.

Mr. PETTY. It is not a difference at all, Mr. Chairman. This is exactly why I share with you the great regret that this has gotten into the public domain before it has been hashed out on an interagency basis.

I would add a second point, that there is a second series of negotiations going on besides the trade discussions forthcoming.

Senator MORSE. I understand your regret. I think you have done everything that a witness of the Treasury Department can do with a very difficult problem this afternoon. But I have to address myself to what I consider to be the damage caused by your report. For that the Treasury Department has to assume the responsibility, and I will await with great interest something in this record from the Secretary of the Treasury. I think he had better speak up. He is going to have an opportunity to put a statement in this record with regard to this report. I think it would be helpful to the committee to know on exactly what the position of the Secretary of the Treasury is in regard to this report.

Mr. Counsel, please address a letter to the Secretary setting forth my request for a reading of this part of the transcript of and any com-